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NSC BRIEFING - HAINAN

6 May 1953

GRADUAL DEVELOPMENT OF HAINAN SUGGESTS LONG-RANGE, NOT IMMEDIATE, IMPORTANCE TO CHINESE COMMUNISTS.

Island is 150 miles from Indochina.

It could be base for <u>offensive against Southeast</u>

<u>Asia</u>; on defense, it would help <u>protect</u> South China coast against air attack.

ADMINISTRATION IS CENTRALIZED

One leader -- Feng Pai-chu -- has top three posts, government, party and military.

He operates from Canton, seat of Kwangtung province of which Hainan a part since "liberation" (April 50).

be several hundred guerrillas in mountains, but they are not active.

Fewer than 100 Soviet Russians on island, and no evidence they contest Chinese control.



TOP SECRET CANOE SECURITY INFORMATION

ECONOMIC DEVELOPMENT IS STEADY BUT NOT RAPID.

Peiping encouraging immigration from mainland and overseas (Malaya rubber workers).

Major effort to dredge Haikou harbor, the principal port. (Completion, April 1953)

Radiotelephone and internal phone and postal circuits improved in late 1952.

They may have improved railroads and iron mines (located in south). On l April, they shipped cargo of iron ore, probably to Hungary.

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However, no intense activity.

no rolling stock moving on railroads;

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no work begun on important ore port of Paso.

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MILITARY ACTIVITY HAS INCREASED, BUT NO RAPID DEVELOPMENT AS MAJOR BASE.



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No military aircraft on island. A few civil aircraft use the run-down fields.

Naval activities, mostly patrol to Canton, center at Hailou. The reported submarine base at Yulin is doubtful.

Military power is available in South China near



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If rotation from Korea continues present pattern, there may soon be combat-trained armies with Soviet equipment in South China.





THE DEVELOPMENT IS DEFENSIVE, BUT NO ACUTE CONCERN OVER INVASION.

Some evidence of fear of Chinese Nationalist operation against island with American naval support).

But gradual nature of whole activity--plus lack of new activity since Formosa's "deneutralization"-suggests concern over possible invasion is not acute.



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